

File No. 240851

Committee Item No. 2

Board Item No. 14

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date September 18, 2024

Board of Supervisors Meeting

Date September 24, 2024

### Cmte Board

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- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
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- Grant Information Form
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- Contract/Agreement
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### OTHER (Use back side if additional space is needed)

- CON Presentation 9/18/2024
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Completed by: Brent Jalipa

Date September 12, 2024

Completed by: Brent Jalipa

Date September 19, 2024

1 [Setting Property Tax Rate and Establishing Pass-Through Rates for Residential Tenants -  
FY2024-2025]

2

3 **Resolution levying property taxes at a combined rate of \$1.17143563 on each \$100**  
4 **valuation of taxable property for the City and County of San Francisco, San Francisco**  
5 **Unified School District, San Francisco County Office of Education, San Francisco**  
6 **Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality**  
7 **Management District; and establishing pass-through rates per \$100 of assessed value**  
8 **for residential tenants and based on tenancy commencement dates pursuant to**  
9 **Administrative Code, Chapter 37, for the Fiscal Year (FY) ending June 30, 2025.**

10

11 WHEREAS, Administrative Code Section 3.3(m) requires the Board of Supervisors to  
12 enact a Resolution each year by September 30th adopting the property tax rate for the City  
13 and County of San Francisco (the "City"), including amounts required for debt service; now,  
14 therefore, be it

15 RESOLVED, That under the laws of the State of California, a tax is hereby levied for  
16 the Fiscal Year ending June 30, 2025, on all property, real and personal, in the City, except  
17 such property as is by law exempt from taxation, in the sum of \$1.00518586 on each \$100  
18 valuation of said taxable property as the same appears upon the secured assessment roll of  
19 the City for the Fiscal Year; and the tax shall be apportioned to the General Fund and the  
20 General Obligation Bond Fund, and according to Sections 16.106, 16.107, 16.108, and  
21 16.109 of the Charter as follows:

22	For the General Fund, the rate of	\$ 0.80918319
23	For the Library Preservation Fund, the rate of	\$ 0.02500000
24	For the San Francisco Children’s Fund, the rate of	\$ 0.04000000
25	For the Open Space Fund, the rate of	\$ 0.02500000

1 For the General Obligation Bond Fund, the rate of \$ 0.10600267

2 **TOTAL City and County of San Francisco** \$ 1.00518586;

3 and, be it

4 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
5 levied for San Francisco Unified School District purposes for the Fiscal Year ending June 30,  
6 2025, on all property, real and personal, in the City, except such property as is by law exempt  
7 from taxation, in the sum of \$0.11044030 on each \$100 valuation of said taxable property as  
8 the same appears upon the secured assessment roll of the City for the Fiscal Year; and the  
9 tax shall be apportioned as follows:

10 For General Operations, the rate of \$ 0.07698857

11 For General Obligation Bond Debt Service, the rate of \$ 0.03345173

12 **TOTAL San Francisco Unified School District** \$ 0.11044030;

13 and, be it

14 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
15 levied for San Francisco County Office of Education purposes for the Fiscal Year ending June  
16 30, 2025, on all property, real and personal, in the City and County of San Francisco, except  
17 such property as is by law exempt from taxation, in the sum of \$0.00097335 on each \$100  
18 valuation of said taxable property as the same appears upon the secured assessment roll of  
19 the City for the Fiscal Year; and the tax shall be apportioned as follows:

20 For General Operations, the rate of \$ 0.00097335

21 **TOTAL San Francisco County Office of Education** \$ 0.00097335;

22 and, be it

23 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
24 levied for San Francisco Community College District purposes for the Fiscal Year ending June  
25 30, 2025, on all property, real and personal, in the City, except such property as is by law

1 exempt from taxation, in the sum of \$0.03162545 on each \$100 valuation of said taxable  
2 property as the same appears upon the secured assessment roll of the City for the Fiscal  
3 Year; and the tax shall be apportioned as follows:

4 For General Operations, the rate of \$ 0.01444422

5 For General Obligation Bond Debt Service, the rate of \$ 0.01718123

6 **TOTAL San Francisco Community College District** \$ **0.03162545**;

7 and, be it

8 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
9 levied for Bay Area Rapid Transit District purposes for the Fiscal Year ending June 30, 2025,  
10 on all property, real and personal, in the City, except such property as is by law exempt from  
11 taxation, in the sum of \$0.02112528 on each \$100 valuation of said taxable property as the  
12 same appears upon the secured assessment roll of the City for the Fiscal Year; and the tax  
13 shall be apportioned as follows:

14 For General Operations, the rate of \$ 0.00632528

15 For General Obligation Bond Debt Service, the rate of \$ 0.01480000

16 **TOTAL Bay Area Rapid Transit District** \$ **0.02112528**;

17 and, be it

18 FURTHER RESOLVED, That under the laws of the State of California, a tax is hereby  
19 levied for Bay Area Air Quality Management District purposes for Fiscal Year ending June 30,  
20 2025, on all property, real and personal, in the City, except such property as is by law exempt  
21 from taxation, in the sum of \$0.00208539 on each \$100 valuation of said taxable property as  
22 the same appears upon the secured assessment roll of the City for the Fiscal Year; and the  
23 tax shall be apportioned as follows:

24 For General Operations, the rate of \$ 0.00208539

25 **TOTAL Bay Area Air Quality Management District** \$ **0.00208539**;

1 and, be it

2 FURTHER RESOLVED, That the combined property tax rate for the City, San  
3 Francisco Unified School District, San Francisco County Office of Education, San Francisco  
4 Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality  
5 Management District, as set forth above, shall therefore be **\$1.17143563** on each \$100  
6 valuation of said taxable property; and, be it

7 FURTHER RESOLVED, That pursuant to Sections 37.3(a)(6)(A)-(E) of the  
8 Administrative Code, the Board of Supervisors hereby determines that, based on the  
9 combined property tax rate provided in the preceding paragraph, the property tax pass-  
10 through rates for residential tenants for the Fiscal Year ending June 30, 2025, shall be based  
11 on the tenancy commencement date of the residential tenants as follows per \$100 of  
12 assessed value:

13	For tenancy commencement dates	
14	June 30, 2006 and before, the rate of	\$ 0.0098
15	July 1, 2006 through June 30, 2007, the rate of	\$ 0.0122
16	July 1, 2007 through June 30, 2008, the rate of	\$ 0.0106
17	July 1, 2008 through June 30, 2009, the rate of	\$ 0.0012
18	July 1, 2009 through June 30, 2010, the rate of	\$ 0.0015
19	July 1, 2010 through June 30, 2018, the rate of	\$ 0.0000
20	July 1, 2018 through June 30, 2019, the rate of	\$ 0.0002
21	July 1, 2019 through June 30, 2025, the rate of	\$ 0.0000;

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1 and residential tenants may be eligible for relief from the property tax pass-through under  
2 Section 37.3(a)(6)(F).

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4 Recommended By:

5 Greg Wagner

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7 \_\_\_\_\_ /s/  
8 Controller

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<b>Item 2</b> <b>File 24-0851</b>	<b>Department:</b> Controller (CON)
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**EXECUTIVE SUMMARY**

**Legislative Objectives**

- The proposed resolution sets the property tax rate for FY 2024-25 for taxing entities within San Francisco including (a) the City; (b) the San Francisco Unified School District; (c) the San Francisco County Office of Education; (d) the San Francisco Community College District; (e) Bay Area Rapid Transit (BART); and (f) the Bay Area Air Quality Management District (BAAQMD).

**Key Points**

- The Board of Supervisors annually sets the combined property tax rate that provides revenues for: (1) general operations; (2) specific Charter-required activities for the City such as services for children, open space, or the public library; and (3) paying debt service on voter-approved General Obligation bonds that were issued by the City, the San Francisco Unified School District (SFUSD), the San Francisco Community College District (SFCCD), and the Bay Area Rapid Transit District (BART).
- The proposed resolution would also set the property tax pass-through rate that landlords can pass-through to tenants in FY 2024-25, as allowed under the Administrative Code.

**Fiscal Impact**

- The proposed resolution would set the combined property tax rate (comprised of the property tax rates levied for all of the taxing jurisdictions within the City) for FY 2024-25 at \$1.17143563 per \$100 of assessed value. The FY 2024-25 property tax rate of \$1.17143563 is \$0.00625819, or 0.53 percent less than the FY 2023-24 tax rate of \$1.17769382 per \$100 of assessed value.
- The proposed FY 2024-25 property tax rate would increase property taxes by \$124 on a median-priced single-family residence and reduce the allowable pass-through to tenants by at least \$431 on the same residence, due to a recent ordinance that reduces the allowable property tax pass-through to tenants. Although the property tax rate decreased this year, the allowable two percent increase in the assessed value of a median valued home more than offsets the property tax rate decrease.
- The FY 2024-25 General Fund share of property tax revenue is budgeted at \$2,469.6 million, which is \$40.4 million, or 1.6 percent, less than the \$2,510.0 million in the FY 2023-24 budget.

**Recommendation**

- Approve the proposed resolution.

**MANDATE STATEMENT**

California Revenue and Taxation Code Section 2151 requires the Board of Supervisors to fix the rates of county and district property taxes and to levy the property taxes for the County and Districts.

San Francisco Administrative Code Section 3.3(m) requires the Board of Supervisors to adopt the property tax rate for the City and County of San Francisco by September 30.

City Charter Section 16.107-109 requires that portions of the City’s annual property tax levy be set aside for specific uses including \$0.0250 for the Library Preservation Fund; \$0.0400 for the Children’s Fund; and \$0.0250 for the Open Space Fund per \$100 of assessed value. San Francisco Administrative Code Section 37.3(a)(6)(A-E), the Residential Rent Stabilization and Arbitration Ordinance allows landlords to pass through to tenants a portion of property tax increases that result from certain voter-approved General Obligation bonds.

**BACKGROUND**

The Board of Supervisors annually sets the combined property tax rate that provides revenues for affected taxing entities: (1) General Operations, (2) specific Charter-required activities for the City and County of San Francisco such as services for children, acquiring open space, or constructing, maintaining, and operating the public library; and (3) paying debt service on voter-approved General Obligation bonds that were issued by the City, the San Francisco Unified School District (SFUSD), the San Francisco Community College District (SFCCD), and the Bay Area Rapid Transit District (BART).

Under the California Constitution Article XIII(A), the base property tax rate that the City can levy on property owners is one percent and can be used for general purposes. Any amount over the base of one percent is used to pay for debt service on voter-approved General Obligation bonds.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution sets the property tax rate for FY 2024-25 for taxing entities<sup>1</sup> within the City and County of San Francisco including (a) the City; (b) the San Francisco Unified School District; (c) the San Francisco County Office of Education; (d) the San Francisco Community College District; (e) BART; and (f) the Bay Area Air Quality Management District (BAAQMD).

The proposed resolution would also set the property tax pass-through rates that landlords can pass through to tenants in FY 2024-25, as allowed in Chapter 37.3 of the City Administrative Code. The pass through to tenants may only be imposed on a tenant’s anniversary date and does not become part of a tenant’s base rent. The allowable tenant pass-through rate is based on the portion of the landlord’s property tax liability that comes from General Obligation bond debt

<sup>1</sup> Taxing entities are agencies or organizations located within the City and County of San Francisco that have taxing authority but may not be part of the City government. The General City Operations tax rate factor of \$0.80918319 includes \$0.25330113 to be shifted to the Educational Revenue Augmentation Fund (ERAF) for the benefit of San Francisco Unified School District, the County Office of Education, and the San Francisco Community College District.



service for certain periods and is comprised of three factors outlined in Chapter 37.3 of the Administrative Code, as shown in Exhibit 1 below.

**Exhibit 1: Percent of Property Tax Increases for General Obligation Bond Debt Service Allowed for Pass-Through to Tenants**

<b>Entity</b>	<b>Date of GO Bond Approval</b>	<b>Pass-Through Rate</b>
City and County of San Francisco	11/1/1996 – 11/30/1998	100%
City and County of San Francisco	11/14/2002 – Present	50%
San Francisco Unified School District or San Francisco Community College District	11/1/2006 – Present	50%

Source: Administrative Code Section 37.3(6)

In April 2024, the Board of Supervisors approved an ordinance that limited the allowable tenant pass-through rate to the difference in the current eligible entities’ tax rate amount and the eligible entities’ tax rate in the year that the tenant had moved in or 2005, whichever is later (File 24-0174), multiplied by a factor representing allowed pass-through bonds’ debt service divided by the total debt service of general obligation bonds issued by eligible entities .

**FISCAL IMPACT**

The proposed resolution would set the combined property tax rate for FY 2024-25 at \$1.17143563 per \$100 of assessed value. The FY 2024-25 property tax rate of \$1.17143563 is \$0.00625819, or 0.53 percent less than the FY 2023-24 tax rate of \$1.17769382 per \$100 of assessed value. Exhibit 2 below shows the proposed tax rates for all taxing jurisdictions in the City, as determined by the Controller and by the BART Board for the BART General Obligation Bond tax rate factor.

**Exhibit 2: Current and Proposed Tax Rates per \$100 of Assessed Property Value**

<b>Tax/Entity</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Change</b>
<b>City &amp; County of San Francisco</b>			
General Fund	\$0.80918319	\$0.80918319	No change
Library Preservation Fund	\$0.02500000	\$0.02500000	No change
Children's Fund	\$0.04000000	\$0.04000000	No change
Open Space Fund	\$0.02500000	\$0.02500000	No change
GO Bond Fund	\$0.11295032	\$0.10600267	(\$0.00694765)
<b>City Subtotal</b>	<b>\$1.01213351</b>	<b>\$1.00518586</b>	<b>(\$0.00694765)</b>
<b>San Francisco Unified School District</b>			
General Operations	\$0.07698857	\$0.07698857	No change
General Obligation Debt Service	\$0.04025720	\$0.03345173	(\$0.00680547)
<b>SFUSD Subtotal</b>	<b>\$0.11724577</b>	<b>\$0.11044030</b>	<b>(\$0.00680547)</b>
<b>San Francisco County Office of Education</b>	<b>\$0.00097335</b>	<b>\$0.00097335</b>	<b>No change</b>
<b>San Francisco Community College District</b>			
General Operations	\$0.01444422	\$0.01444422	No change
General Obligation Bond Debt Service	\$0.01108630	\$0.01718123	\$0.00609493
<b>SFCCD Subtotal</b>	<b>\$0.02553052</b>	<b>\$0.03162545</b>	<b>\$0.00609493</b>
<b>Bay Area Rapid Transit</b>			
General Operations	\$0.00632528	\$0.00632528	No change
General Obligation Bond Debt Service	\$0.01340000	\$0.01480000	\$0.00140000
<b>Bay Area Rapid Transit Subtotal</b>	<b>\$0.01972528</b>	<b>\$0.02112528</b>	<b>\$0.00140000</b>
<b>Bay Area Air Quality Management District</b>	<b>\$0.00208539</b>	<b>\$0.00208539</b>	<b>No change</b>
<b>Total Property Tax Rate</b>	<b>\$1.17769382</b>	<b>\$1.17143563</b>	<b>(\$0.00625819)</b>

Source: Proposed resolution

**Tenant Pass-Through Tax Rate**

The proposed resolution would set the allowable property tax rate that landlords can pass through to tenants at an amount ranging from \$0.00 to \$0.0122 per \$100 of assessed value, depending on the tenancy commencement date. An overview of allowable pass-through rates is shown in Exhibit 3 below.

**Exhibit 3: Allowable Tenant Pass-Through Rates**

<b>Tenancy Commencement Date</b>	<b>Allowable Pass-Through Rate (per \$100 of Assessed Value)</b>
6/30/2006 and Earlier	\$0.0098
7/1/2006 – 6/30/2007	\$0.0122
7/1/2007 – 6/30/2008	\$0.0106
7/1/2008 – 6/30/2009	\$0.0012
7/1/2009 – 6/30/2010	\$0.0015
7/1/2010 – 6/30/2018	\$0.0000
7/1/2018 – 6/30/2019	\$0.0002

7/1/2019 – 6/30/2025 \$0.0000

Source: Proposed resolution

Residential tenants may file a financial hardship application with the Rent Board to request a portion of the FY 2024-25 pass-through be waived under Section 37.3(a)(6)F of the Administrative Code. In such cases, the Rent Board may waive all or a portion of the pass-through amount.

**Impact of the Combined Property Tax Rate and Allowable Pass-Through**

Under Proposition 13, the City may annually increase the assessed value of a property by a State-determined inflation factor or 2.00 percent, whichever is less. For FY 2024-25, the California Consumer Price Index (CCPI) adjustment authorized by the State Board of Equalization is 2.00 percent. The median assessed value of a single-family residence was \$717,300 in FY 2023-24, as shown in Exhibit 4 below. The taxable assessed value on that same home with the assessed value increased by the State-determined inflation factor of 2.00 percent, with a homeowner’s exemption, would be \$724,646 in FY 2024-25.

**Exhibit 4: Estimated Property Tax for Single-Family Residence with Median Assessed Value**

	Single Family Residence	Allowable Tenant Pass-Through <sup>2</sup>
<b>Fiscal Year 2023-24</b>		
Assessed Value	\$717,300	\$717,300
Less Homeowner's Exemption	\$7,000	\$0
Total Taxable Assessed Value	\$710,300	\$717,300
Property Tax Rate	1.17769382%	0.0726%
<b>Property Taxes Payable in 2023-24</b>	<b>\$8,365</b>	<b>\$521</b>
<b>Proposed FY 2024-25</b>		
Prior Year Assessed Value	\$717,300	\$717,300
Assessed Value + California Consumer Price Index Increase (2.00%)	\$14,346	\$14,346
Subtotal	\$731,646	\$731,646
Less Homeowner's Exemption	\$7,000	\$0
<b>Total Taxable Assessed Value</b>	<b>\$724,646</b>	<b>\$731,646</b>
Property Tax Rate	1.17143563%	0.0122%
<b>Property Taxes Payable in 2024-25</b>	<b>\$8,489</b>	<b>\$89</b>
Total Change in Property Taxes Payable in FY 2024-25 versus FY 2023-24	\$124	(\$431)

Source: Controller’s Office

As shown in Exhibit 4, the proposed FY 2024-25 property tax rate of \$1.17143563 per \$100 of assessed value would increase property taxes by \$124 on a single-family residence with an assessed value of \$731,646 in FY 2024-25 and reduce the maximum allowable pass through to tenants by \$431 on the same residence. Although the property tax rate decreased this year, the

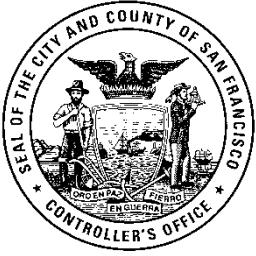
<sup>2</sup> For FY 2024-25, the pass-through rate shown is the maximum allowable pass-through rate of \$0.0122 per \$100 of assessed value for tenancies commencing from July 2006 through June 2007.

allowable two percent increase in the assessed value of a median valued home more than offsets the property tax rate decrease.

The FY 2024-25 General Fund share of property tax revenue is budgeted at \$2,469.6 million, which is \$40.4 million, or 1.6 percent, less than the \$2,510.0 million in the FY 2023-24 budget.

**RECOMMENDATION**

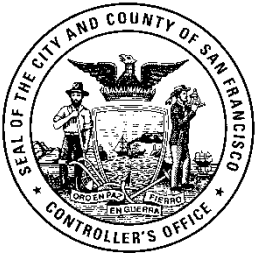
Approve the proposed resolution.



# Property Tax Rate History

(Referenced in CON Summary Letter Attachment A)

<b>Fiscal Year</b>	<b>Prop 13 Base Countywide Tax Rate</b>	<b>San Francisco G.O. Bonds Tax Rate</b>	<b>Schools &amp; Special Districts G.O. Bonds Tax Rate</b>	<b>Combined Secured Property Tax Rate</b>	<b>% Change from Prior Year</b>
2018 - 2019	1.0000	0.1075	0.0555	1.1630	-0.79%
2019 - 2020	1.0000	0.1167	0.0634	1.1801	1.47%
2020 - 2021	1.00000000	0.11972733	0.07873635	1.19846368	1.56%
2021 - 2022	1.00000000	0.11463663	0.06784836	1.18248499	-1.33%
2022 - 2023	1.00000000	0.10761763	0.07212019	1.17973782	-0.23%
2023 - 2024	1.00000000	0.11295032	0.06474350	1.17769382	-0.17%
2024 - 2025	1.00000000	0.10600267	0.06543296	1.17143563	-0.53%



# Comparative Tax Bill

(Referenced in CON Summary Letter Attachment C)

	Assessed Value (AV)	Property Tax Rate	Tax Bill*
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**FY 2023-2024**

Assessed Value FY 2023-24	\$717,300		
Less Homeowner's Exemption	(\$7,000)		
Taxable Value	\$710,300	1.17769382%	\$8,365.14

**FY 2024-2025**

Prior Year Assessed Value	\$717,300		
Add 2% - California CPI			
Increase for FY 2024-25	\$14,346		
Assessed Value FY 2024-25	\$731,646		
Less Homeowner's Exemption	(\$7,000)		
Taxable Value	\$724,646	1.17143563%	\$8,488.76

\* Secured property tax bill pennies are rounded down to next even penny value.

**Dollar Increase \$123.62**  
**Percent Increase 1.48%**



**OFFICE OF THE CONTROLLER**  
**CITY AND COUNTY OF SAN FRANCISCO**

Greg Wagner  
Controller  
ChiaYu Ma  
Deputy Controller

September 3, 2024

The Honorable Angela Calvillo  
Clerk of the Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Attention: Budget & Finance Committee

**Re: FY 2024-25 Property Tax Rate Resolution**

Dear Ms. Calvillo:

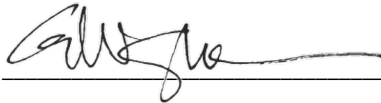
I am submitting a resolution for consideration to establish the tax levy for FY 2024-25. This resolution includes the following:

- Property Tax Levy for City and County;
- Property Tax Levy for Unified School District;
- Property Tax Levy for County Office of Education;
- Property Tax Levy for Community College District
- Property Tax Levy for Bay Area Rapid Transit District
- Property Tax Levy for Bay Area Air Quality Management District
- Pass-through rates of residential tenants pursuant to Chapter 37 of the Administrative Code

Section 3.3(m) of the Administrative Code requires the property tax rate be adopted by September 30 each year. I hereby request these items be scheduled for the Budget & Finance Committee meeting no later than September 18, 2024 to satisfy this requirement.

Please contact Jamie Whitaker, Property Tax Manager, at [James.Whitaker@sfgov.org](mailto:James.Whitaker@sfgov.org) if you have questions regarding this matter.

Sincerely,



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Greg Wagner  
Controller

CC: Brent Jalipa, Budget & Finance Committee Clerk





**OFFICE OF THE CONTROLLER**  
**CITY AND COUNTY OF SAN FRANCISCO**

Greg Wagner  
 Controller  
 ChiaYu Ma  
 Deputy Controller

September 3, 2024

The Honorable London Breed  
 Mayor, City and County of San Francisco  
 City Hall, Room 200  
 1 Dr. Carlton B. Goodlett Place  
 San Francisco, CA 94102

The Honorable Board of Supervisors  
 City and County of San Francisco  
 City Hall, Room 244  
 1 Dr. Carlton B. Goodlett Place  
 San Francisco, CA 94102

Dear Ladies and Gentlemen:

I am submitting herewith an annual resolution which formally adopts those portions of the property tax rate for fiscal year 2024-2025 which the City and County of San Francisco (CCSF) administers. The Bay Area Rapid Transit District (BART) also adopts a debt service tax rate factor for their combined three county service areas. The rate shown below includes the BART’s debt service tax rate factor adopted by their Board on August 15, 2024. The composite property tax rate for fiscal year 2024-2025 is \$1.17143563 for each \$100 of assessed value. The CCSF property tax rate factor for this fiscal year’s general obligation bond debt service remains below the CCSF Capital Plan’s designated cap of \$0.12012547, established in FY 2005-2006. The respective tax rates by accruing entity are as follows:

	<u><b>Tax Rate Resolution</b></u>
San Francisco Community College District (SFCCD) (includes 0.01718123 debt service)	\$0.03162545 <sup>1</sup>
San Francisco Unified School District (SFUSD) (includes 0.03345173 debt service)	0.11044030 <sup>1</sup>
CCSF - General Fund	0.80918319 <sup>1</sup>
CCSF - Library Preservation Fund	0.02500000
CCSF - Children’s Fund	0.04000000
CCSF - Open Space Fund	0.02500000
CCSF - General Obligation Bond Debt Service	0.10600267
San Francisco County Office of Education (SFCOE)	0.00097335 <sup>1</sup>
Bay Area Air Quality Management District	0.00208539
Bay Area Rapid Transit District (BART) (includes 0.01480000 debt service)	0.02112528
<b>Total Combined Tax Rate</b>	<u><b>\$1.17143563</b></u>

<sup>1</sup> Tax rate factors listed represent apportionments prior to State-mandated tax shifts of local property tax revenues into and out of the Educational Revenue Augmentation Fund (ERAF).

State law requires a shift of \$0.25330113 of the CCSF General Fund’s \$0.80918319 apportionment into the CCSF’s Educational Revenue Augmentation Fund (ERAF). After the State-mandated shift to ERAF,

the CCSF General Fund's allocation factor is reduced to \$0.55588206 for each \$100 of assessed value. State law further prescribes how ERAF revenues are allocated among SFCCD, SFUSD, SFCOE, and CCSF.

The property tax rate reflects anticipated debt service requirements pertaining to voter-approved general obligation bonds. Attachment A is a Property Tax Rate History table for the City and County beginning in fiscal year 2003-2004. Attachment B provides the anticipated fiscal year 2024-2025 general obligation bond debt service schedule (principal and interest) relevant to the property tax rate calculations.

For fiscal year 2024-2025, the pass-through rates for residential tenants vary from \$0.00 to \$0.0122 per \$100 of assessed value depending on the tenancy commencement date pursuant to Sections 37.3(a)(6)(A)-(E) of the Administrative Code. Residential tenants may be eligible for relief from the property tax pass-through under Section 37.3(a)(6)(F) of the Administrative Code.

Except for a consumer price index adjustment which is capped at the lesser of inflation or 2.00% under Proposition 13, individual assessments increase only when property is sold, transferred, or otherwise improved. For fiscal year 2024-2025, the consumer price index adjustment authorized by the State is 2.00%. The median assessed valuation for a single-family residential parcel at the beginning of fiscal year 2023-2024 in San Francisco was \$717,300. As shown in Attachment C, the combination of a tax rate of \$1.17143563 for each \$100 of assessed value and the 2.00% consumer price index adjustment that increases the assessed value of the example residence from \$717,300 in fiscal year 2023-2024 to \$731,646 in fiscal year 2024-2025 results in an approximate \$123.62 ad valorem property tax increase year-over-year (see attachment C for calculation).

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Wagner", followed by a horizontal line extending to the right.

Greg Wagner  
Controller

Attachments:

- A - Property Tax Rate History
- B - Debt Service Requirements
- C - Comparative Property Tax Bill

# Attachment A

## Property Tax Rate History City and County of San Francisco

<u>Fiscal Year</u>	<u>Prop 13 Tax Rate</u>	<u>San Francisco G.O. Bonds Tax Rate</u>	<u>Schools &amp; Special Districts G.O. Bonds Tax Rate</u>	<u>Combined Secured Property Tax Rate</u>	<u>% Change From Prior Year</u>
2003 - 2004	1.0000	0.1068	0.0002	1.1070	-0.90%
2004 - 2005	1.0000	0.1284	0.0156	1.1440	3.35%
2005 - 2006	1.0000	0.1201	0.0199	1.1400	-0.35%
2006 - 2007	1.0000	0.0966	0.0384	1.1350	-0.43%
2007 - 2008	1.0000	0.1037	0.0373	1.1410	0.53%
2008 - 2009	1.0000	0.1053	0.0577	1.1630	1.93%
2009 - 2010	1.0000	0.1084	0.0506	1.1590	-0.34%
2010 - 2011	1.0000	0.1121	0.0519	1.1640	0.43%
2011 - 2012	1.0000	0.1147	0.0571	1.1718	0.67%
2012 - 2013	1.0000	0.1083	0.0608	1.1691	-0.23%
2013 - 2014	1.0000	0.1195	0.0685	1.1880	1.38%
2014 - 2015	1.0000	0.1195	0.0548	1.1743	-1.15%
2015 - 2016	1.0000	0.1135	0.0691	1.1826	0.71%
2016 - 2017	1.0000	0.1189	0.0603	1.1792	-0.29%
2017 - 2018	1.0000	0.1074	0.0649	1.1723	-0.59%
2018 - 2019	1.0000	0.1075	0.0555	1.1630	-0.79%
2019 - 2020	1.0000	0.1167	0.0634	1.1801	1.47%
2020 - 2021	1.0000	0.11972733	0.07873635	1.19846368	1.56%
2021 - 2022	1.0000	0.11463663	0.06784836	1.18248499	-1.33%
2022 - 2023	1.0000	0.10761763	0.07212019	1.17973782	-0.23%
2023 - 2024	1.0000	0.11295032	0.06474350	1.17769382	-0.17%



# Attachment C

## COMPARATIVE PROPERTY TAX BILL

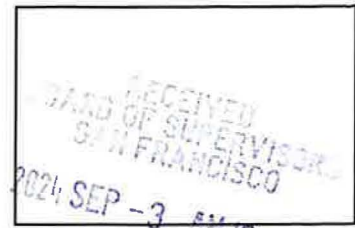
A tax bill calculation of a single-family residential dwelling in San Francisco with the citywide median assessed value for that parcel grouping of \$717,300 at the start of fiscal year 2023-2024 compared with fiscal year 2024-2025 is as follows:

	<u>Assessed Value (100%)</u>	<u>Property Tax Rate</u>	<u>Tax Bill</u>
<b><u>FY 2023-2024</u></b>			
Assessed Value FY 2023-24	\$717,300		
Less Homeowner's Exemption	<u>(7,000)</u>		
	<u>\$710,300</u>	x 1.17769382%	= \$8,365.14
<b><u>FY 2024-2025</u></b>			
Prior Year Assessed Value	\$717,300		
Add 2% California Consumer Price Index (CPI) Increase	<u>14,346</u>		
Assessed Value FY 2024-25	\$731,646		
Less Homeowner's Exemption	<u>(7,000)</u>		
	<u>\$724,646</u>	x 1.17143563%	= \$8,488.76
<b>Tax Bill Increase / (Decrease)</b>		<b><u>1.48%</u></b>	<b><u>\$123.62</u></b>

Please note that the annual secured property tax due for each parcel is rounded down to the nearest even penny to ensure the two installment bills' amounts are equal.

**Introduction Form**

(by a Member of the Board of Supervisors or the Mayor)



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)  
*(Routine, non-controversial and/or commendatory matters only)*
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor \_\_\_\_\_ inquires..."
- 5. City Attorney Request
- 6. Call File No. \_\_\_\_\_ from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No. \_\_\_\_\_
- 9. Reactivate File No. \_\_\_\_\_
- 10. Topic submitted for Mayoral Appearance before the Board on \_\_\_\_\_

BY: 

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission     Youth Commission     Ethics Commission
- Planning Commission     Building Inspection Commission     Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes                       No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Chan

Subject:

Setting Property Tax Rate and Establishing Pass-Through Rates for Residential Tenants - FY2024-25

Long Title or text listed:

Resolution levying property taxes at a combined rate of \$1.17143563 on each \$100 valuation of taxable property for the City and County of San Francisco, San Francisco Unified School District, San Francisco County Office of Education, San Francisco Community College District, Bay Area Rapid Transit District, and Bay Area Air Quality Management District; and establishing pass-through rates per \$100 of assessed value for residential tenants and based on tenancy commencement dates pursuant to Administrative Code, Chapter 37, for the fiscal year ending June 30, 2025.

Signature of Sponsoring Supervisor:

